IN THE UNITED STATES DISTRICT COURT FOR THE WESTERN DISTRICT OF TEXAS WACO DIVISION

| DYNAENERGETICS EUROPE GMBH, and DYNAENERGETICS US, INC., | |
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| Plaintiffs, | Civil Action No: 6:21-cv-00085 |
| v.) | COMPLAINT |
| GR ENERGY SERVICES OPERATING GP LLC,) GR ENERGY SERVICES MANAGEMENT, LP,) and GR ENERGY SERVICES, LLC | COMPLAINT AND DEMAND FOR JURY TRIAL |
| Defendants. | |

Plaintiffs DynaEnergetics Europe GmbH and DynaEnergetics US, Inc. (collectively, "DynaEnergetics") file this Complaint for patent infringement against GR Energy Services Operating GP LLC, GR Energy Services Management, LP, and GR Energy Services, LLC (collectively "Defendants"), and, in support thereof, allege as follows:

THE PARTIES

- 1. Plaintiff DynaEnergetics Europe GmbH ("DynaEnergetics Europe") is a corporation organized under the laws of Germany, with its headquarters at Kaiserstrasse 3, 53840 Troisdorf, Germany.
- 2. Plaintiff DynaEnergetics US, Inc. ("DynaEnergetics US") is a corporation organized under the laws of the State of Colorado, with its headquarters at 2050 W. Sam Houston Pkwy S., Suite 1750, Houston, TX 77042-3659. DynaEnergetics US has a regular and established place of business within this District at 3580 HCR 1145 Loop North, Blum, TX 76627.

- 3. Upon information and belief, Defendant GR Energy Services Operating GP LLC is a Delaware limited liability company with its headquarters at 2150 Town Square Place, Ste. 410, Sugar Land, Texas, 77479. Defendant GR Energy Services Operating GP LLC may be served with process by serving its registered agent at C T Corporation System, 1999 Bryan St., Ste. 900, Dallas, Texas 75201, or as otherwise authorized under applicable law.
- 4. Upon information and belief, Defendant GR Energy Services Management, LP is a Delaware limited partnership with its headquarters at 2150 Town Square Place, Ste. 410, Sugar Land, Texas, 77479. Defendant GR Energy Services Management, LP may be served with process by serving its registered agent at C T Corporation System, 1999 Bryan St., Ste. 900, Dallas, Texas 75201, or as otherwise authorized under applicable law.
- 5. Upon information and belief, Defendant GR Energy Services, LLC is a Texas limited liability company with its headquarters at 2150 Town Square Place, Ste. 410, Sugar Land, Texas, 77479. Defendant GR Energy Services, LLC may be served with process by serving its registered agent Terrie L. Sechrist at 770 South Post Oak Lane, Suite 410, Houston TX, 77056 or as otherwise authorized under applicable law.
- 6. Upon information and belief, Defendants have regular and established places of business throughout Texas and in this District, including several locations in Midland, TX. Defendants list their Midland, TX locations on its website under "GR Locations."

JURISDICTION AND VENUE

7. This is an action for patent infringement under the Patent Laws of the United States, 35 U.S.C. § 1 *et seq.*, including 35 U.S.C. § 271.

- 8. This Court has subject matter jurisdiction pursuant to 28 U.S.C. §§ 1331 and 1338(a) because this action arises under the Patent Laws of the United States, including 35 U.S.C. § 1 *et seq*.
- 9. This court has personal jurisdiction over Defendants, and venue is proper in this District, because Defendants have regular and established places of business within this District and because Defendants actively and regularly conduct business within the State of Texas and within this District. Further, upon information and belief, infringement is occurring within the State of Texas and this District through Defendants' manufacture and distribution of the "GR Energy Services ZipFireTM" (hereinafter referred to as "ZipFire") prewired perforating gun system at its Texas manufacturing and distribution facilities, and within the State of Texas and this District through Defendants' sales of or offers to sell the ZipFire.
- 10. Venue as to Defendants is thus proper in this judicial district under 28 U.S.C. §§ 1391(b) and (c) and 1400(b).

FACTS

- 11. DynaEnergetics is a leader in the field of well completion, perforating, well abandonment, and seismic technologies. DynaEnergetics has a long history of technological innovation, including innovation in the manufacture of detonators, detonating cords, and perforating hardware.
- 12. In connection with its research and development efforts, DynaEnergetics has developed groundbreaking inventions for a wireless detonator assembly, a pre-wired perforating gun assembly, and methods of assembling the pre-wired perforating gun assembly. These inventions are currently protected by multiple United States patents, including U.S. Patent No. 10,844,697 (the "'697 Patent").

- 13. The '697 Patent, entitled "PERFORATION GUN COMPONENTS AND SYSTEM," was duly and legally issued on November 24, 2020 to DynaEnergetics Europe GmbH. A true and accurate copy of the '697 Patent is attached hereto and incorporated herein by reference as Exhibit A.
- 14. DynaEnergetics makes, distributes, offers to sell, and sells perforating gun systems that practice the '697 Patent. DynaEnergetics Europe exclusively licenses DynaEnergetics US to make, distribute, offer to sell, and sell perforating gun systems that practice the '697 Patent in the United States. DynaEnergetics has marked the covered products in accordance with 35 U.S.C. § 287.
- 15. Defendants are competitors of DynaEnergetics, including in the field of perforating systems. Defendants have, upon information and belief, either alone or in concert, manufactured, distributed, sold, or offered to sell the ZipFire in the United States, including within the State of Texas and within this District.
- 16. Defendants describe and provide photos of the ZipFire on their website at https://www.grenergyservices.com/zipfire. A copy of the Defendants' website advertising the ZipFire and the corresponding photos (as accessed on January 27, 2021) is attached hereto and incorporated herein by reference as Exhibit B.
- 17. Defendants also provide a downloadable PDF containing specifications for the ZipFire. A copy of the Defendants' downloadable PDF specification for the ZipFire (as downloaded on January 27, 2021) is attached hereto and incorporated herein by reference as Exhibit C.
- 18. Further, upon information and belief, Defendants buy, source, or use some or all of the components of the ZipFire from Yellow Jacket Oil Tools, LLC, whose infringing YJOT

Pre-Wired Perforating Gun is the subject of a patent infringement lawsuit between DynaEnergetics and Yellow Jacket Oil Tools, LLC. *See DynaEnergetics Europe GmbH v. Yellow Jacket Oil Tools, LLC*, No. 6:20-cv-01110-ADA, Dkt. 1 (W.D. Tex. Dec. 4, 2020) (hereinafter referred to as the "YJOT Complaint").

- 19. Therefore, upon information and belief, some or all of the components and assembly of the ZipFire are the same as, or equivalent to, the components and assembly of the YJOT Pre-Wired Perforating Gun as described in paragraphs 18-22 of the YJOT Complaint.
- 20. The ZipFire infringes one or more claims of the '697 Patent, including at least each and every element of Claim 1 either literally or equivalently, as set forth below.

21. Claim 1 of the '697 Patent recites:

1. An electrical connection assembly for establishing an electrical connection in a tool string, the electrical connection assembly comprising:

a tandem seal adapter having a first end, a second end and a bore that extends from the first end to the second end and entirely through the tandem seal adapter;

a perforation gun system comprising a first outer gun carrier, a shaped charge, and a first detonator, wherein the shaped charge and the first detonator are positioned within the first outer gun carrier, wherein the first outer gun carrier is connected to the first end of the tandem seal adapter; and

a pressure bulkhead having an outer surface, a first end and a second end, the outer surface of the pressure bulkhead is sealing received in the bore of the tandem seal adapter, the pressure bulkhead also having a pin connector assembly extending through the pressure bulkhead from a first pin connector end to a second pin connector end, and configured to relay an electrical signal from the first end of the pressure bulkhead to the second end of the pressure bulkhead, wherein the first pin connector end extends beyond the first end of the pressure bulkhead and the second pin connector end extends beyond the second end of the pressure bulkhead, wherein

the first detonator is in electrical communication with the pin connector assembly, wherein the tandem seal adapter and the pressure bulkhead are configured to provide a seal between the detonator and an environment on the second end of the tandem seal adapter.

- 22. The ZipFire either literally or equivalently contains an electrical connection assembly for establishing an electrical connection in a tool string. This is evidenced by the description of the ZipFire in Exhibit C stating that the benefits of ZipFire include "[o]nsite wiring and crimping eliminated to significantly improve wellsite safety," that it is "[p]reassembled to optimize transition time between stages for operating efficiency," and that the ZipFire features "[p]ortless, reusable perforating subs."
- 23. In addition, because some or all of the components and assembly of the ZipFire are the same as, or equivalent to, the components and assembly of the YJOT Pre-Wired Perforating Gun, upon information and belief, the ZipFire either literally or equivalently meets this claim limitation for the same reasons set forth in paragraph 18 of the YJOT Complaint.
- 24. The electrical connection assembly in the ZipFire either literally or equivalently comprises a tandem seal adapter having a first end, a second end and a bore that extends from the first end to the second end and entirely through the tandem seal adapter. The tandem seal adapters of the ZipFire are shown in the below annotated photo.



- 25. In addition, because some or all of the components and assembly of the ZipFire are the same as, or equivalent to, the components and assembly of the YJOT Pre-Wired Perforating Gun, upon information and belief, the ZipFire either literally or equivalently meets this claim limitation for the same reasons set forth in paragraph 19 of the YJOT Complaint.
- 26. The electrical connection assembly in the ZipFire either literally or equivalently comprises a perforation gun system comprising a first outer gun carrier, a shaped charge, and a first detonator, wherein the shaped charge and the first detonator are positioned within the first outer gun carrier, wherein the first outer gun carrier is connected to the first end of the tandem seal adapter. An example of this is shown in the below annotated photo of the ZipFire, which shows on the right side the first outer gun carrier, a shaped charge, and a first detonator (not shown). The ZipFire assembly is positioned within the outer gun carrier, wherein the outer gun carrier is connected to the first end of the tandem seal adapter.



27. In addition, because some or all of the components and assembly of the ZipFire are the same as, or equivalent to, the components and assembly of the YJOT Pre-Wired Perforating Gun, upon information and belief, the ZipFire either literally or equivalently meets this claim limitation for the same reasons set forth in paragraph 20 of the YJOT Complaint.

- 28. The electrical connection assembly in the ZipFire either literally or equivalently comprises a pressure bulkhead having an outer surface, a first end and a second end, the outer surface of the pressure bulkhead is sealing received in the bore of the tandem seal adapter, the pressure bulkhead also having a pin connector assembly extending through the pressure bulkhead from a first pin connector end to a second pin connector end, and configured to relay an electrical signal from the first end of the pressure bulkhead to the second end of the pressure bulkhead, wherein the first pin connector end extends beyond the first end of the pressure bulkhead and the second pin connector end extends beyond the second end of the pressure bulkhead. This is evidenced by the description of the ZipFire in Exhibit C stating that the ZipFire is "a true plugand-play gun design," that the "ZipFire system is preassembled in a controlled facility, then delivered to the wellsite prewired and ready to deploy," and that the ZipFire is "[p]reassembled to strict quality control standards."
- 29. In addition, because some or all of the components and assembly of the ZipFire are the same as, or equivalent to, the components and assembly of the YJOT Pre-Wired Perforating Gun, upon information and belief, the ZipFire either literally or equivalently meets this claim limitation for the same reasons set forth in paragraph 21 of the YJOT Complaint.
- 30. The electrical connection assembly in the ZipFire either literally or equivalently comprises the first detonator being in electrical communication with the pin connector assembly, wherein the tandem seal adapter and the pressure bulkhead are configured to provide a seal between the detonator and an environment on the second end of the tandem seal adapter. An example of this is shown in the below annotated photo of the ZipFire.



- 31. In addition, because some or all of the components and assembly of the ZipFire are the same as, or equivalent to, the components and assembly of the YJOT Pre-Wired Perforating Gun, upon information and belief, the ZipFire either literally or equivalently meets this claim limitation for the same reasons set forth in paragraph 22 of the YJOT Complaint.
- 32. Defendants have known of the '697 Patent and its own infringing activities since at least as early as the filing of this complaint.
- 33. Because Defendants are using infringing technology to compete directly with DynaEnergetics, it is causing irreparable harm to DynaEnergetics, thereby forcing DynaEnergetics to bring this lawsuit to protect its intellectual property.

COUNT I – INFRINGEMENT OF THE '697 PATENT

- 34. DynaEnergetics repeats and incorporates by reference the allegations contained in the foregoing paragraphs, as if stated fully herein.
- 35. DynaEnergetics is the owner of the '697 Patent, with all substantive rights in and to that patent, including the sole and exclusive right to prosecute this action and enforce the '697 Patent against infringers, and to collect damages for all relevant times.
- 36. Defendants have, either alone or in concert, directly infringed and continue to infringe the '697 Patent, either literally or through the doctrine of equivalents, by making, using, importing, supplying, distributing, selling and/or offering for sale the ZipFire within the United States, in violation of 35 U.S.C. § 271(a).

- 37. Upon information and belief, Defendants have made and are continuing to make unlawful gains and profits from their infringement of the '697 Patent.
- 38. At least as early as the filing of this complaint, Defendants have been on notice of and have had knowledge of, the '697 Patent and of DynaEnergetics' allegations of infringement. Defendants' infringement of the '697 Patent has been willful and deliberate at least since this date.
- 39. DynaEnergetics has been damaged and irreparably harmed by Defendants' infringement of the '697 Patent for which DynaEnergetics is entitled to relief under 35 U.S.C. § 284. DynaEnergetics will continue to suffer damages and irreparable harm unless Defendants are enjoined preliminarily and permanently by this Court from continuing its infringement.

ATTORNEYS' FEES

40. Pursuant to 35 U.S.C. § 285, DynaEnergetics is entitled to and hereby demands its reasonable attorneys' fees in this case.

JURY DEMAND

41. Pursuant to Rule 38 of the Federal Rules of Civil Procedure, DynaEnergetics respectfully requests a trial by jury of any issues so triable.

PRAYER FOR RELIEF

WHEREFORE, DynaEnergetics respectfully asks that the Court issue citation for Defendants to appear and answer and seeks the following additional relief:

- A. that Defendants are declared to have directly infringed one or more of the claims of the '697 Patent under 35 U.S.C. § 271(a);
- B. that that Court issue a preliminary and permanent injunction pursuant to 35 U.S.C. § 283 against the continuing infringement of the claims of the '697 Patent by Defendants,

its officers, agents, employees, attorneys, representatives, and all others acting in concert

therewith;

C. that the Court order an accounting for all monies received by or on behalf of

Defendants and all damages sustained by DynaEnergetics as a result of Defendants'

aforementioned infringements, that such monies and damages be awarded to DynaEnergetics,

and that interest and costs be assessed against Defendants pursuant to 35 U.S.C. § 284;

D. that the Court declare that Defendants' infringement was and is willful from the

time it became aware of the infringing nature of their product and award treble damages for the

period of such willful infringement of the '697 Patent, pursuant to 35 U.S.C. § 284;

E. that the Court declare this an exceptional case and order that Defendants pay to

DynaEnergetics its reasonable attorneys' fees and costs, pursuant to 35 U.S.C. § 285; and

F. that the Court award such further and other relief to DynaEnergetics as the Court

deems just, together with its costs and disbursements in this action.

Dated: January 28, 2021

Respectfully submitted,

By: /s/Eric H. Findlay

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